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#### DEPARTMENT OF COMMERCE

#### INTERNATIONAL TRADE ADMINISTRATION

(A-475-818)

Certain Pasta from Italy: Notice of Final Results of 16<sup>th</sup> Antidumping Duty Administrative Review; 2011-2012

AGENCY: Enforcement and Compliance, formerly Import Administration, International

Trade Administration, Department of Commerce

SUMMARY: On August 7, 2013, the Department of Commerce (the Department) published the preliminary results of the antidumping duty administrative review of certain pasta (pasta) from Italy and gave interested parties an opportunity to comment on the *Preliminary Results*. The review covers two mandatory respondents, Pastificio Gallo Natale & F.Ili S.r.L. (Gallo), and Rummo, and six non-selected companies. The period of review (POR) is July 1, 2011, through June 30, 2012. As a result of our analysis of the comments and information received, these final results differ from the *Preliminary Results*. For the final weighted-average dumping margin, *see* the "Final Results of Review" section below.

EFFECTIVE DATE: (Insert date of publication in the *Federal Register*).

FOR FURTHER INFORMATION CONTACT: Stephanie Moore (Gallo) and George McMahon (Rummo), Office III, AD/CVD Operations, Enforcement and Compliance,

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<sup>&</sup>lt;sup>1</sup> See Certain Pasta From Italy: Antidumping Duty Administrative Review; 2011-2012, 78 FR 48146 (August 7, 2013) (Preliminary Results), and accompanying Decision Memorandum (Preliminary Decision Memorandum).

<sup>2</sup> The "Rummo Group" consists of Rummo S.p.A., a producer and seller of subject merchandise, Lenta Lavorazione, a seller of subject merchandise, Pasta Castiglioni, a producer and seller of subject merchandise, and the ultimate holding company (with no operations), Rummo S.p.A. Molino e Pastificio (collectively, "Rummo").

<sup>3</sup> The non-selected companies are: Alberto Poiatti S.p.A (Poiatti); Delverde Industrie Alimentari S.p.A (Delverde); Fiamma Vesuviana S.r.L (Fiamma); Pastificio Zaffiri S.r.L (Zaffiri); Tandoi Filippo e Adalberto Fratelli S.p.A (Fratelli); and Valdigrano di Flavio Pagani S.r.L (Valdigrano). The Department issued a partial rescission notice in which it rescinded this administrative review, in part, with respect to Industria Alimentare Colavita, S.p.A (Indalco) and Pasta Lensi S.r.L (Lensi). We also rescinded, in part, this administrative review with respect to Pastificio Attilio Mastromauro-Pasta Granoro S.r.L (Granoro) because this company has been revoked from the antidumping duty order effective prior to the beginning of this POR. See Certain Pasta From Italy: Notice of Partial Rescission of Antidumping Duty Administrative Review, 78 FR 20091 (April 3, 2013).

International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3692 and (202) 482-1167, respectively.

#### SUPPLEMENTARY INFORMATION:

### **Background**

On August 7, 2013, the Department of Commerce (the Department) published the *Preliminary Results*. In accordance with 19 CFR 351.309(c)(1)(ii), we invited parties to comment on our *Preliminary Results*.<sup>4</sup> On September 6, 2013, Gallo submitted its case brief and Rummo requested a hearing. Rummo withdrew its hearing request on January 16, 2014. The Department conducted the verification of Rummo's cost and sales responses in Italy, from December 2 through 6, 2013, and December 9 through 13, 2013, respectively.

On January 15, 2014, Rummo filed a case brief and Petitioners<sup>5</sup> submitted a case brief regarding Gallo. On January 22, 2014, Petitioners and Gallo filed their respective rebuttal briefs.

As explained in the memorandum from the Assistant Secretary for Enforcement and Compliance, the Department has exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from October 1, through October 16, 2013. Therefore, all deadlines in this segment of the proceeding have been extended by 16 days.<sup>6</sup> Pursuant to the Tolling Memo, the deadline for the final results of this review was revised with a due date of December 23, 2013.

<sup>&</sup>lt;sup>4</sup> The Department issued the briefing schedule in a Memorandum to the File, dated January 7, 2014. This briefing schedule indicated that the case and rebuttal briefs were due by close of business January 15, 2014 and January 22, 2014, respectively.

<sup>&</sup>lt;sup>5</sup> Petitioners are American Italian Pasta Company and Dakota Growers Pasta Company.

<sup>&</sup>lt;sup>6</sup> See Memorandum for the Record from Paul Piquado, Assistant Secretary for Enforcement and Compliance,

<sup>&</sup>quot;Deadlines Affected by the Shutdown of the Federal Government" (October 18, 2013) (Tolling Memo).

On October 23, 2013, the Department issued a memorandum extending the time period for issuing the final results of this administrative review from December 23, 2013 to February 21, 2014.

# Scope of the Order

Imports covered by the order are shipments of certain non-egg dry pasta. The merchandise subject to review is currently classifiable under items 1901.90.90.95 and 1902.19.20 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise subject to the order is dispositive.<sup>7</sup>

### Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties to this administrative review are addressed in the Issues and Decision Memorandum. A list of the issues that parties raised and to which we responded is attached to this notice as Appendix. The Issues and Decision Memorandum is a public document and is on-file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at <a href="http://iaaccess.trade.gov">http://iaaccess.trade.gov</a> and in the Central Records Unit (CRU), room 7046 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Internet at <a href="http://enforcement.ita.doc.gov/frn/index.html">http://enforcement.ita.doc.gov/frn/index.html</a>. The signed Issues and Decision Memorandum are identical in content.

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<sup>&</sup>lt;sup>7</sup> For a full description of the scope of the order, *see* the "Decision Memorandum for the Final Results of Antidumping Duty Administrative Review: Certain Pasta from Italy" from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, dated concurrently with this notice (Issues and Decision Memorandum) and incorporated herein by reference.

# **Changes Since the Preliminary Results**

Based on a review of the record and comments received from interested parties regarding our *Preliminary Results*, we have recalculated Gallo and Rummo's weighted-average dumping margins. Gallo's and Rummo's adjustments are discussed in detail in the accompanying final calculation memoranda. As a result of the aforementioned recalculation of Gallo's and Rummo's rates, the weighted-average dumping margin for the six non-selected companies has changed.

### Final Results of the Review

As a result of this review, the Department determines the following weighted-average dumping margins<sup>9</sup> for the period July 1, 2011, through June 30, 2012, are as follows:

	Weighted-Average
Producer and/or Exporter	Dumping Margin
	(percent)
Pastificio Gallo Natale & F.lli S.r.L	1.31
Rummo S.p.A. Molino e Pastificio, Rummo S.p.A., Lenta	
Lavorazione, and Pasta Castiglioni	14.48
Alberto Poiatti S.p.A	13.09
Delverde Industrie Alimentari S.p.A	13.09
Fiamma Vesuviana S.r.L	13.09
Pastificio Zaffiri S.r.L	13.09
Tandoi Filippo e Adalberto Fratelli S.p.A	13.09
Valdigrano di Flavio Pagani S.r.L	13.09

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<sup>&</sup>lt;sup>8</sup> See Issues and Decision Memorandum; see also Memorandum to the File, Through Eric B. Greynolds, Program Manager, Office III, from Stephanie Moore, Case Analyst, Office III, titled "Certain Pasta from Italy: Calculation Memorandum – Gallo," dated February 21, 2014 and Memorandum to the File, Through Eric B. Greynolds, Program Manager, Office III, from George McMahon, Case Analyst, Office III, titled "Certain Pasta from Italy: Calculation Memorandum – the Rummo Group," dated February 21, 2014.

<sup>&</sup>lt;sup>9</sup>The rate applied to the non-selected companies is a weighted-average percentage margin calculated based on the publicly-ranged U.S. volumes of the two reviewed companies with an affirmative dumping margin, for the period July 1, 2011, through June 30, 2012. *See* Memorandum to the File, titled, "Certain Pasta from Italy: Margin for Respondents Not Selected for Individual Examination," from George McMahon and Stephanie Moore, Case Analysts, through Eric B. Greynolds, Program Manager, dated concurrently with this notice.

#### **Duty Assessment**

The Department shall determine and Customs and Border Protection (CBP) shall assess antidumping duties on all appropriate entries. <sup>10</sup> For any individually examined respondents whose weighted-average dumping margin is above *de minimis*, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the importer's examined sales to the total entered value of those same sales in accordance with 19 CFR 351.212(b)(1). Upon issuance of the final results of this administrative review, if any importer-specific assessment rates calculated in the final results are above *de minimis* (*i.e.*, at or above 0.5 percent), the Department will issue appraisement instructions directly to CBP to assess antidumping duties on appropriate entries.

To determine whether the duty assessment rates covering the period were *de minimis*, in accordance with the requirement set forth in 19 CFR 351.106(c)(2), for each respondent we calculated importer (or customer)-specific *ad valorem* rates by aggregating the amount of dumping calculated for all U.S. sales to that importer or customer and dividing this amount by the total entered value of the sales to that importer (or customer). Where an importer (or customer)-specific *ad valorem* rate is greater than *de minimis*, and the respondent has reported reliable entered values, we apply the assessment rate to the entered value of the importer's/customer's entries during the review period. Where an importer (or customer)-specific *ad valorem* rate is greater than *de minimis* and we do not have reliable entered values, we calculate a per-unit assessment rate by aggregating the amount of dumping for all U.S. sales to each importer (or customer) and dividing this amount by the total quantity sold to that importer (or customer).

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<sup>&</sup>lt;sup>10</sup> In these final results, the Department applied the assessment rate calculation method adopted in *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101 (February 14, 2012).

The Department clarified its "automatic assessment" regulation on May 6, 2003.<sup>11</sup> This clarification will apply to entries of subject merchandise during the POR produced by the respondent for which it did not know its merchandise was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction. For a full discussion of this clarification, *see* the *Automatic Assessment Clarification*.

We intend to issue assessment instructions directly to CBP 15 days after publication of the final results of this review.

## Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the notice of final results of administrative review for all shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication of the final results of this administrative review, as provided by section 751(a)(2) of the Act: (1) the cash deposit rate for respondents noted above will be the rate established in the final results of this administrative review; (2) for merchandise exported by manufacturers or exporters not covered in this administrative review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company specific rate published for the most recently completed segment of this proceeding; (3) if the exporter is not a firm covered in this review, a prior review, or the original investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recently completed segment of this proceeding for the manufacturer of the subject merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will continue to be 15.45 percent, the all-others rate established in the antidumping investigation as modified

<sup>11</sup> See Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties, 68FR 23954 (May 6, 2003) (Automatic Assessment Clarification).

by the section 129 determination. These cash deposit requirements, when imposed, shall remain in effect until further notice.

## Notification to Importers Regarding the Reimbursement of Duties

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping and/or countervailing duties prior to liquidation of the relevant entries during the POR. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping and/or countervailing duties occurred and the subsequent assessment of doubled antidumping duties.

### Administrative Protective Order

This notice also serves as a reminder to parties subject to administrative protective orders (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return/destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

We are issuing and publishing this notice in accordance with sections 751(a)(1) and
777(i)(1) of the Act and 19 CFR 351.213(h).
Paul Piquado
Assistant Secretary
for Enforcement and Compliance
February 21, 2014
Date

## **APPENDIX**

# List of Comments in the Accompanying Issues and Decision Memorandum

# **Company-Specific Issues**

Comment 1: Program Language for Gallo's U.S. Warranty Expense

Comment 2: Treatment of Gallo's U.S. Warranty Expense

Comment 3: Certain U.S. Sales Not Reported by Rummo

Comment 4: The Commission Offset for Rummo's Constructed Export Price (CEP) sales

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